

# ***RJREYNOLDS***

**Tobacco Company**

November 5, 1996

Dennis R. Bellinger  
Key Account Manager

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**TO: STEVE CORNE  
KEVIN BARNEY  
JERRY SKINNER  
PRATHA HILL  
MIKE MILLER  
BILL SEALS**

**JIM LAWSON  
MITCH McGOVERN  
JEFF RUMBERGER**

**RE: K-MART RETURNED GOODS**

Gentlemen:

As I am sure you are aware, Kmart is in the process of remerchandising the cigarette department in most of their stores nationally. In conjunction with this reset is a major reduction in the number of SKU's being carried at retail. Unfortunately, this will create an increase in the quantities of returned goods shipped back to the KTD's throughout the remainder of 1996. Due to the fact that only a portion of this product will out of date, it is critical that RJR personnel establish a program with each of the KTD's to ensure that fresh salable product is not being returned to Winston-Salem along with their returned goods shipments.

Your assistance is requested in contacting the appropriate RJR personnel responsible for each of the warehouses and ensuring that a program is in place. I am also including copies of two letters to the KTD's (one from Bill Burgess and one from myself) which should further clarify the situation. Thank you for your help in this matter.

Sincerely,

*Dennis*

Dennis R. Bellinger

Attachments  
cc: Jack Geeting

DRB/jmf  
KMARTLT2.DOC

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